THE MANITOBA ECONOMY

PROJECTED 2006 PERFORMANCE

UPDATED FOR INDUSTRY GROWTH

MANITOBA
BUREAU OF STATISTICS

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REPORT #4A

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Manitoba Bureau of Statistics

HIGHLIGHTS:

PROJECTED MANITOBA GROSS DOMESTIC PRODUCT FOR 2006 WITH INDUSTRY PERFORMANCE

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Overview

- The Manitoba Bureau of Statistics (MBS) estimates that the **Manitoba economy will grow by 3.2% in 2006,** up 0.3 percentage points from the 2.9% real growth recorded in 2005. **Manitoba's 3.2% real growth in 2006 is above the Canadian projected average growth rate of 2.8%** reported by the private sector forecasting agencies.

- **The provincial economy will generate a record $37.6 billion of real expenditures in 2006 (market price).** Final domestic demand spending (excluding foreign trade) is estimated at $39.4 billion.

- Economic growth in 2006 was lead by a dramatic rebound in crop production and continued strength in residential and non-residential construction. As well, high commodity prices helped spur expanded production in the mining, oil and gas sector, while overall spending benefited from low interest rates, and good income growth.

Consumer Spending

- **Total real personal spending is estimated to grow by 3.6% in 2006 to $23.2 billion up from $22.4 billion in 2005.** Year to date (October) retail trade data indicates a 6.0% increase in sales in 2006.

- All categories of consumer spending (durable, non-durable, semi-durable and services) are projected to show positive real growth in 2006. Semi-durable goods, which include clothing and household textiles and furnishings, report the largest growth at 7.9%, followed by services at 4.4%.

Investment

- **Overall business investment is projected to rise 8.6% in 2006.** This follows two solid years of growth in 2004 and 2005 which saw investment increase 9.0% and 6.8% respectively.

- **Investment in residential structures** is estimated to grow by 14.5% to $1.8 billion up from $1.6 billion in 2005. Spending on repair and renovation work on existing homes continues at a torrid pace sustained by a rising real estate market and strong personal income growth. Manitoba housing starts for 2006 are projected to hit 4,900 units up from the 4,731 units built in 2005.

- On the non-residential side, **real business investment growth in non-residential structures** accelerated to 19.6% in 2006 rising to $1.4 billion from $1.2 billion in 2005. Large projects such as the new ethanol plant in Minnedosa have contributed significantly to this increase.

- **Real government investment in structures and machinery and equipment** is expected to rise 24.2% in 2006 following two years of real decline. Leading the way were dramatic increases in municipal infrastructure investment due in part to the sharing of federal gas tax monies and larger provincial grants. Continuing construction on a number of large projects such as the Red River Floodway contributed to the strongest growth the sector has seen in a decade.

The Bank of Canada and the Canadian Dollar

- **During the first five months of 2006 the Bank of Canada raised its target rate from 3.50% to 4.50%.** Since then rates have remained steady. While interest rates are still at relatively low levels, incremental decreases may be anticipated in the near term. With inflationary pressures dropping across most of the country and a significant slowdown underway in Ontario and Quebec, it is anticipated that the Bank of Canada will soon seek to stimulate a national economy operating significantly below capacity.

- **The Canadian dollar is projected to appreciate by a further 7% against the U.S. dollar in 2006. Since 2002 the Canadian dollar has risen by more than 39% against its U.S. counterpart.**

Exports and Imports

- In response to the rising Canadian dollar, real export growth slowed for the second straight year falling to 2.4%. This is down from 3.6% and 4.6% in 2005 and 2004 respectively. Inter-provincial exports are projected to grow 2.7% in 2006 while international exports are expected to increase by 2.1%.

- This year's export growth was supported by increased production in the mining and oil sectors. Shipments of oil are projected to rise more than 50% from 2005 surpassing the $500 million mark in 2006. Continued development of the Sinclair field as well as record levels of exploration activity throughout the southwest supported an all-time record level of both production and drilling.

- On the mining side, a 10% increase in real production is anticipated due in part to the reopening of gold mining operations in the Bissett area. Existing operations throughout the province also managed production increases.

- Overall real import growth is projected to rise 3.9% in 2006. This is up from 3.7% in 2005. Interprovincial imports lead the way rising 4.1 %. International imports for 2006 meanwhile are expected to grow 3.5% in real terms. This marks a decline from the 6.3% growth recorded last year.

Income

- **Total labour income is estimated to grow by 4.0% in 2006** following a 4.5% gain in 2005. **Labour income should mark a record $22.2 billion.**

- **Growth in pretax corporate profits is expected to dip to 5.6% in 2006 down from the 6.3% increase recorded in 2005.** While profits have been supported by high prices for many commodities such as zinc, nickel, gold, and oil, the strengthening of the Canadian dollar has eroded margins for many Manitoba exporters.

- Driven, in part, by the continued strength in housing, **unincorporated business income** is expected to grow by 4.5% in 2006. This category includes earnings for contractors, real-estate brokers and other independent businesses as well as imputed rent.

- **Personal disposable income is projected to rise 5.1% in 2006 to $26.9 Billion.** The projected increase is up from 2.0% growth recorded last year which saw personal disposable income levels reach $25.6 billion. This year's growth has benefited from a strong rebound in accrued farm income.

Agriculture

- **Agriculture Crop production in 2006 saw the canola and wheat harvest rise 43.9% and 64.8% respectively.** As a result, **agricultural sector growth at basic prices is projected to hit 17.0% in 2006** largely reversing last year's decline of 18.3%. **The sector's industrial share is expected to rise to 4.0%** of provincial GDP up from 3.5% in 2005.

- **Reversing last year's decline, accrued net farm income is projected to rebound from minus $56 million in 2005, to $350 million in 2006.** This figure includes the value of farm inventory changes which saw a $581 million swing from 2005 to 2006. During this time period the value of farm inventories went from minus $294 million in 2005 to $287 million this year.

- Contributing to the recovery of the agricultural sector was the U.S.-Canada border being open to exports of live cattle under 30 months of age for the entire year. In 2005, the border opened for this export category in mid-July.

- While 2006 crop receipts are up 3.2%, this is overshadowed by a 6.2% drop in livestock receipts due primarily to falling hog prices. As a result **farm cash receipts are expected to post a 1.7% decline in 2006.**

- **Net cash income** (receipts less expenses), which represents cash on hand, is expected to drop by $165 million or 26.2% in 2006. This situation should improve in 2007 when the 2006 grain and oilseed crop is marketed.

- **Farm operating expenses** for 2006 rose by 3.3%. This was due in part to an increase in seeded acres this year. In 2005, wet conditions saw the amount of farm land left fallow more than 160% above the ten year average.

Other Industrial Sectors

- Continued expansion in **the mining, oil and gas extraction sector** drove real growth up 21.1% in 2006, the sector's industrial share increasing to 2.1 %. The number of oil wells drilled in Manitoba is projected to approach 500 in 2006, a 70% increase over 2005 and a more than 400% rise since 2004.

- **Construction sector growth is projected hit 16.7% in 2006** up from 5.5% in 2005 with all relevant sub-sectors: residential, non-residential and repair construction; projected to post double digit increases this year.

- **Manufacturing** struggled to hold its own against a rising Canadian dollar growing 1.3% in 2006. This is down from 3.2% growth recorded in 2005.

- **Finance, insurance, real estate, rental and leasing sector** grew by 2.9% in 2006 matching the growth recorded in 2005.

- **The wholesale sector** is projected to decline by 2.6% in 2006 following a 9.6% increase in 2005.

NOTE TO USERS

This publication provides annual estimates for the Manitoba economy from 2000 to 2005 along with projected estimates for 2006.

Estimates for 2006 GDP expenditure, income, farm reconciliation and personal income are provided in this publication. The estimates are based on detailed year to date survey information on a variety of economic data that is monitored by MBS. For the remaining months of the year, trend projections are generated using a macro economic model. These projections provide advance information on the direction and trends in the Manitoba economy in the current year.

The real GDP at Basic Prices by industry provided in this publication is based on a Laspeyres index while the income and expenditure accounts are based on a Fisher index.

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GRAPHICAL SUMMARY

(1) GDP at Market Prices, Chained 1997 Dollars

(2) Final Domestic Demand, Chained 1997 Dollars

(3) Personal Expenditure, Chained 1997 Dollars

(4) Government Expenditure, Chained 1997 Dollars

(5) Business Expenditure, Chained 1997 Dollars

(6) Total Exports, Chained 1997 Dollars

(7) International Exports, Chained 1997 Dollars

(8) Total Imports, Chained 1997 Dollars

(9) International Imports, Chained 1997 Dollars

(10) Labour Income, Current Dollars

(11) Accrued Net Farm Income, Current Dollars

(12) Personal Disposable Income, Current Dollars

TABLE SUMMARY

(1) Manitoba Gross Domestic Product, expenditure-based in Chained $1997

(2) Manitoba Gross Domestic Product, expenditure-based in Current Dollars

(3) Manitoba Gross Domestic Product, income-based in Current Dollars

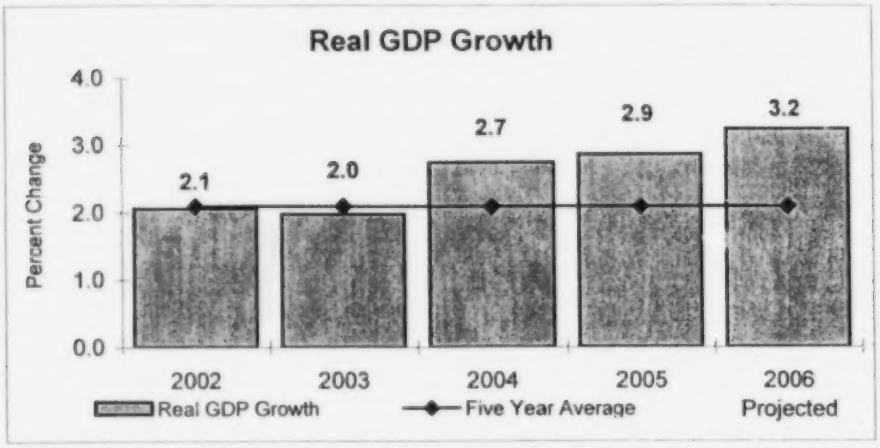
(4) Manitoba Personal Income, sources and disposition in Current Dollars

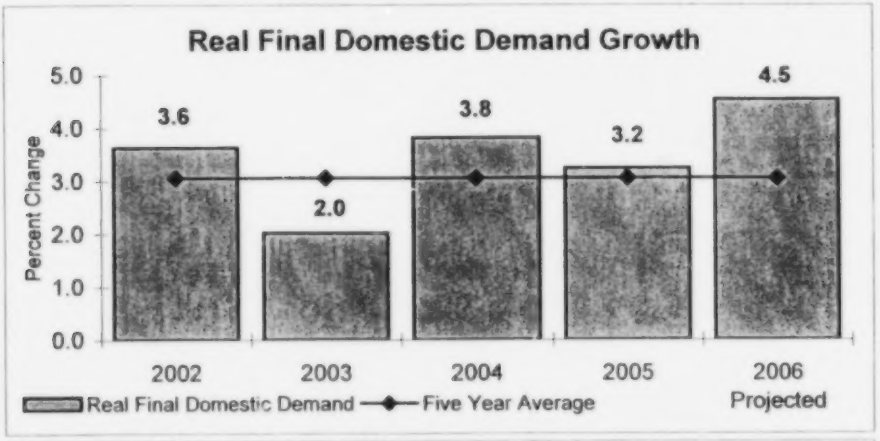
(5) Manitoba Farm Income, reconciliation in Current Dollars

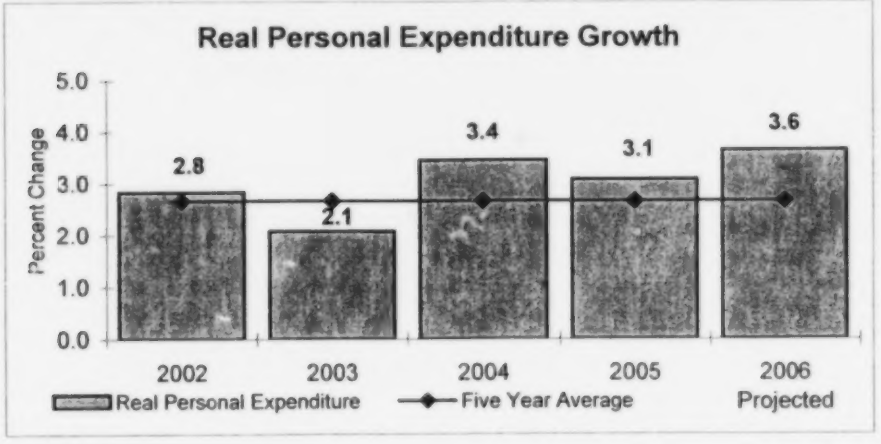
(6) Manitoba Price Indexes (1997 = 100)

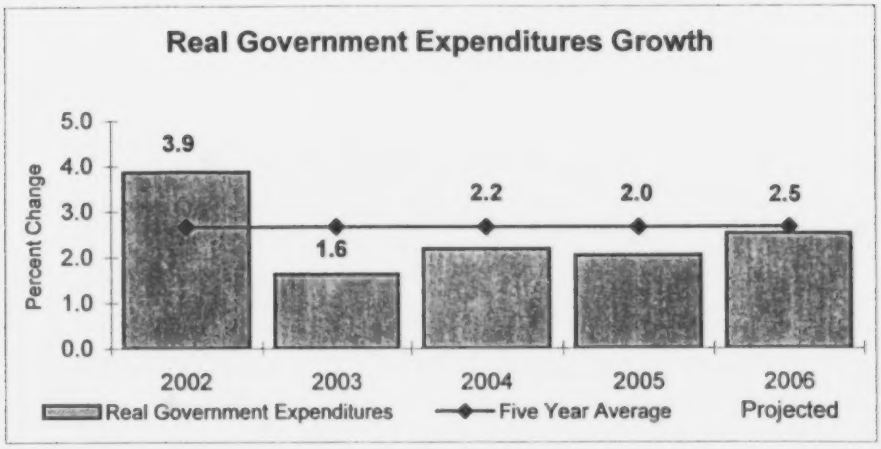
(7) Manitoba Real GDP by Industry, Basic Prices

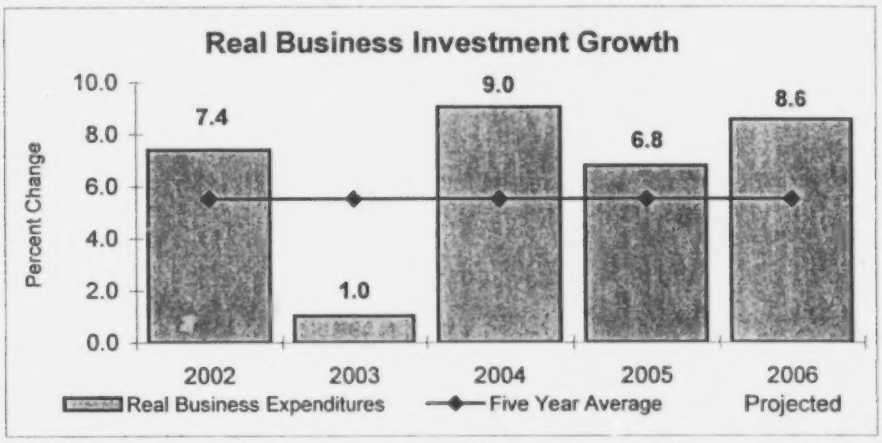
(8) Manitoba Real GDP by Industry, Industrial Share

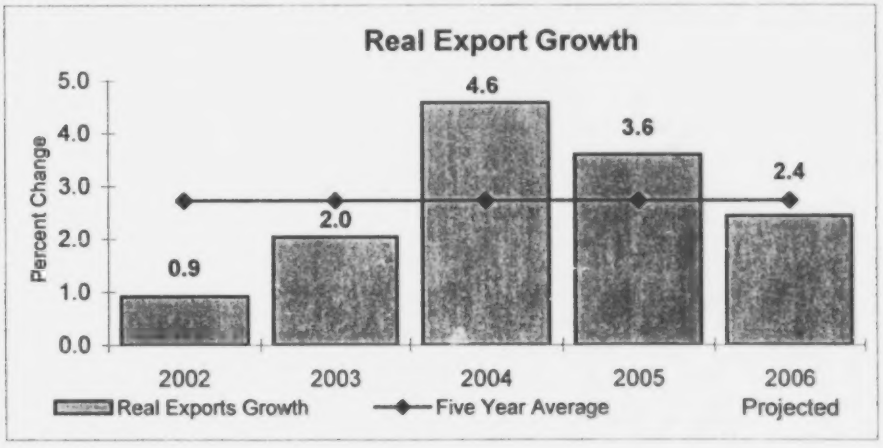

Real GDP Growth
Percent Change
4.0
3.0
2.0
1.0
0.0
2.1
2.0
2.7
2.9
3.2
2002
2003
2004
2005
2006
Projected
Real GDP Growth
Five Year Average

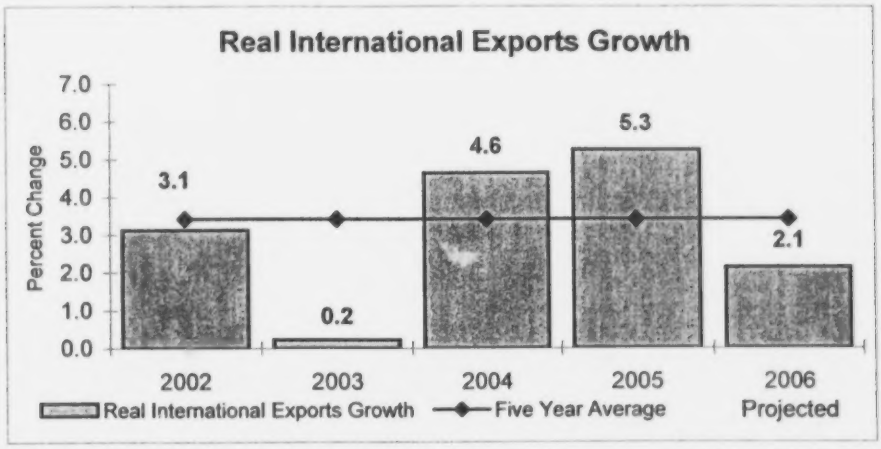

Real Final Domestic Demand Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
3.6
2.0
3.8
3.2
4.5
2002
2003
2004
2005
2006
Projected
Real Final Domestic Demand
Five Year Average

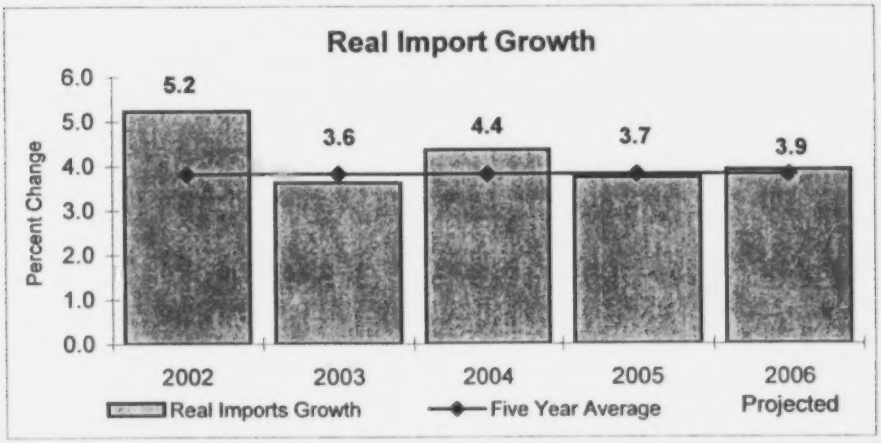

Real Personal Expenditure Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
2.8
2.1
3.4
3.1
3.6
2002
2003
2004
2005
2006
Projected
Real Personal Expenditure
Five Year Average

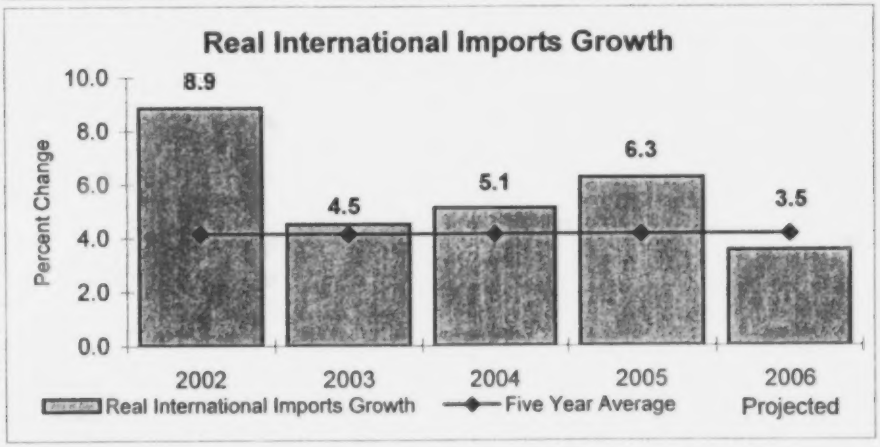

Real Government Expenditures Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
3.9
1.6
2.2
2.0
2.5
2002
2003
2004
2005
2006
Projected
Real Government Expenditures
Five Year Average

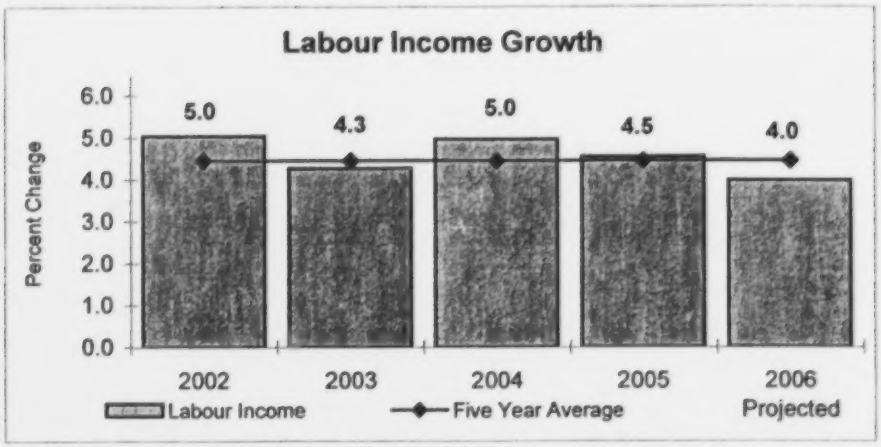

Real Business Investment Growth
Percent Change
10.0
8.0
6.0
4.0
2.0
0.0
7.4
1.0
9.0
6.8
8.6
2002
2003
2004
2005
2006
Projected
Real Business Expenditures
Five Year Average

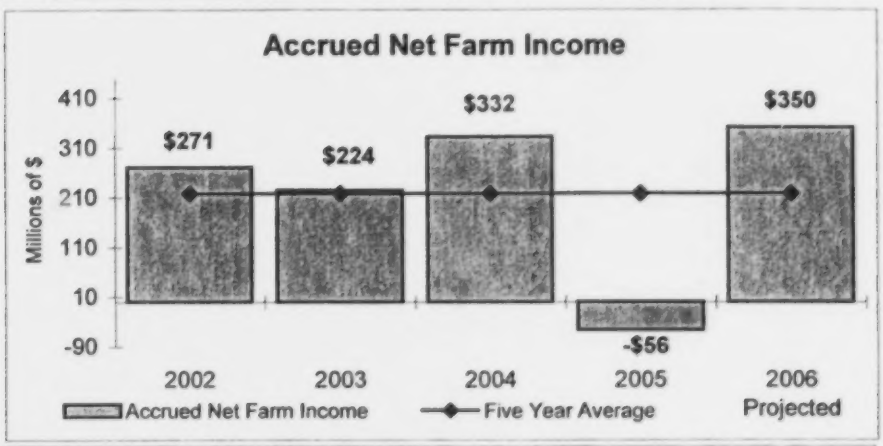

Real Export Growth
Percent Change
5.0
4.0
3.0
2.0
1.0
0.0
0.9
2.0
4.6
3.6
2.4
2002
2003
2004
2005
2006
Projected
Real Exports Growth
Five Year Average


Real International Exports Growth
Percent Change
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
3.1
0.2
4.6
5.3
2.1
2002
2003
2004
2005
2006
Projected
Real International Exports Growth
Five Year Average


Real Import Growth
Percent Change
6.0
5.0
4.0
3.0
2.0
1.0
0.0
5.2
3.6
4.4
3.7
3.9
2002
2003
2004
2005
2006
Projected
Real Imports Growth
Five Year Average


Real International Imports Growth
Percent Change
10.0
8.0
6.0
4.0
2.0
0.0
8.9
4.5
5.1
6.3
3.5
2002
2003
2004
2005
2006
Projected
Real International Imports Growth
Five Year Average


Labour Income Growth
Percent Change
6.0
5.0
4.0
3.0
2.0
1.0
0.0
5.0
4.3
5.0
4.5
4.0
2002
2003
2004
2005
2006 Projected
Labour Income
Five Year Average


Accrued Net Farm Income
Millions of $
410
310
210
110
10
-90
$271
$224
$332
-$56
$350
2002
2003
2004
2005
2006 Projected
Accrued Net Farm Income
Five Year Average

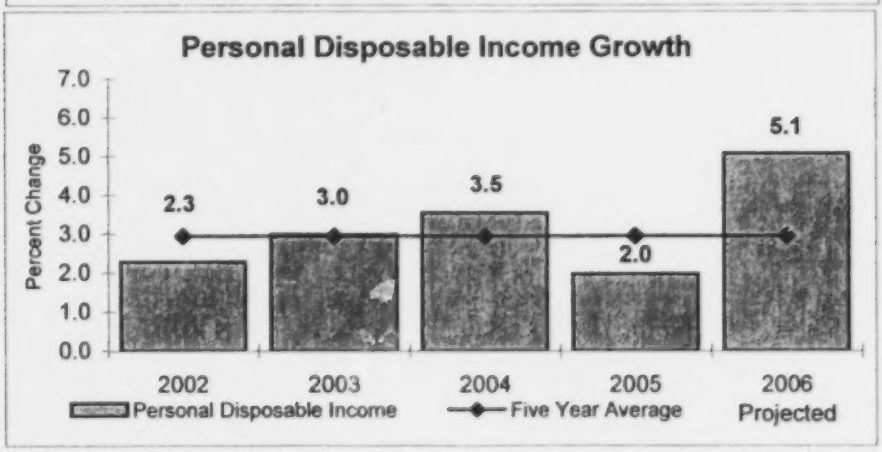

Personal Disposable Income Growth
Percent Change
7.0
6.0
5.0
4.0
3.0
2.0
1.0
0.0
2.3
3.0
3.5
2.0
5.1
2002
2003
2004
2005
2006 Projected
Personal Disposable Income
Five Year Average

TABLE 1

REAL MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
2000 - 2006

	2000	2001	2002	2003	2004	2005	2006 Projected
	(MILLIONS OF CHAINED 1997 DOLLARS)						
PERSONAL EXPENDITURE	19,625	19,996	20,563	20,990	21,714	22,382	23,197
	2.2	1.9	2.8	2.1	3.4	3.1	3.6
GOVERNMENT EXPENDITURE	7,201	7,460	7,748	7,874	8,045	8,209	8,415
	1.9	3.6	3.9	1.6	2.2	2.0	2.5
GOVERNMENT INVESTMENT IN CAPITAL	706	748	728	819	792	754	936
	-11.1	5.9	-2.6	12.5	-3.3	-4.8	24.2
STRUCTURES	433	467	464	503	516	498	633
	-20.0	7.9	-0.7	8.6	2.5	-3.4	27.0
MACHINERY AND EQUIPMENT	280	286	268	325	273	249	286
	10.8	2.3	-6.2	21.2	-16.0	-8.9	15.0
GOVERNMENT INVESTMENT IN INVENTORIES	1	0	-2	0	1	0	0
BUSINESS INVESTMENT	4,903	5,065	5,440	5,496	5,993	6,401	6,949
	-0.2	3.3	7.4	1.0	9.0	6.8	8.6
RESIDENTIAL STRUCTURES	1,026	1,127	1,246	1,363	1,505	1,591	1,822
	3.4	9.8	10.6	9.4	10.4	5.8	14.5
NON-RESIDENTIAL STRUCTURES	1,082	1,220	1,155	1,226	1,171	1,211	1,448
	-19.1	12.7	-5.3	6.1	-4.5	3.5	19.6
MACHINERY AND EQUIPMENT	2,818	2,729	3,062	2,909	3,357	3,658	3,660
	8.9	-3.2	12.2	-5.0	15.4	9.0	0.1
BUSINESS INVESTMENT IN INVENTORIES	515	-143	231	610	139	68	28
NON-FARM	249	-68	255	106	132	163	72
FARM	275	-76	-31	532	-33	-177	-74
EXPORTS OF GOODS AND SERVICES	20,543	21,057	21,249	21,681	22,673	23,488	24,059
	4.8	2.5	0.9	2.0	4.6	3.6	2.4
EXPORTS TO OTHER COUNTRIES	9,951	10,332	10,655	10,678	11,173	11,760	12,010
	3.2	3.8	3.1	0.2	4.6	5.3	2.1
EXPORTS TO OTHER PROVINCES	10,593	10,724	10,591	10,999	11,496	11,724	12,044
	6.3	1.2	-1.2	3.8	4.5	2.0	2.7
DEDUCT: IMPORTS OF GOODS AND SERVICES	20,729	21,170	22,277	23,083	24,090	24,990	25,969
	2.1	2.1	5.2	3.6	4.4	3.7	3.9
IMPORTS FROM OTHER COUNTRIES	10,070	9,670	10,525	11,001	11,564	12,287	12,721
	4.1	-4.0	8.9	4.5	5.1	6.3	3.5
IMPORTS FROM OTHER PROVINCES	10,668	11,496	11,748	12,085	12,537	12,763	13,300
	0.3	7.8	2.2	2.9	3.7	1.8	4.2
STATISTICAL DISCREPANCY	45	57	73	51	92	66	-55
REAL GDP AT MARKET PRICES	**32,796**	**33,066**	**33,747**	**34,414**	**35,360**	**36,372**	**37,551**
	4.2	0.8	2.1	2.0	2.7	2.9	3.2
REAL FINAL DOMESTIC DEMAND	32,438	33,273	34,481	35,177	36,521	37,705	39,415
	1.5	2.6	3.6	2.0	3.8	3.2	4.5

MANITOBA BUREAU OF STATISTICS
December, 2006

TABLE 2

MANITOBA GROSS DOMESTIC PRODUCT
EXPENDITURE-BASED
2000 - 2006

	2000	2001	2002	2003	2004	2005	2006 Projected
	(MILLIONS OF CURRENT DOLLARS)						
PERSONAL EXPENDITURE	20,602	21,436	22,502	23,346	24,515	25,725	26,832
	4.2	4.1	5.0	3.8	5.0	4.9	4.3
GOVERNMENT EXPENDITURE	7,874	8,292	8,827	9,179	9,584	10,121	10,465
	7.5	5.3	6.5	4.0	4.4	5.6	3.4
GOVERNMENT INVESTMENT IN CAPITAL	727	770	754	844	832	805	1,004
	-8.4	5.8	-2.1	12.0	-1.5	-3.2	24.7
STRUCTURES	468	509	512	570	613	619	786
	-16.0	8.8	0.5	11.4	7.5	0.9	27.0
MACHINERY AND EQUIPMENT	260	261	242	274	219	186	218
	9.7	0.5	-7.2	13.2	-20.1	-14.9	16.9
GOVERNMENT INVESTMENT IN INVENTORIES	1	0	-2	1	1	0	0
BUSINESS INVESTMENT	5,023	5,277	5,760	5,707	6,310	6,800	7,574
	0.8	5.1	9.1	-0.9	10.6	7.8	11.4
RESIDENTIAL STRUCTURES	1,074	1,204	1,359	1,535	1,808	1,984	2,317
	5.3	12.1	12.9	13.0	17.8	9.7	16.8
NON-RESIDENTIAL STRUCTURES	1,169	1,338	1,289	1,397	1,405	1,514	1,837
	-16.2	14.4	-3.8	8.3	0.6	7.8	21.4
MACHINERY AND EQUIPMENT	2,780	2,735	3,111	2,776	3,098	3,303	3,420
	8.3	-1.6	13.8	-10.8	11.6	6.6	3.6
BUSINESS INVESTMENT IN INVENTORIES	389	-71	144	286	147	-16	143
NON-FARM	241	-4	281	157	204	243	105
FARM	148	-67	-137	129	-57	-259	38
EXPORTS OF GOODS AND SERVICES	21,366	22,244	22,680	22,824	24,308	25,289	26,301
	6.8	4.1	2.0	0.6	6.5	4.0	4.0
EXPORTS TO OTHER COUNTRIES	10,455	11,009	11,393	11,185	12,012	12,559	13,096
	8.6	5.3	3.5	-1.8	7.4	4.6	4.3
EXPORTS TO OTHER PROVINCES	10,911	11,235	11,287	11,639	12,297	12,729	13,206
	9.1	3.0	0.5	3.1	5.6	3.5	3.7
DEDUCT: IMPORTS OF GOODS AND SERVICES	21,990	22,881	24,093	24,445	25,625	26,688	27,793
	5.8	4.0	5.3	1.5	4.8	4.1	4.1
IMPORTS FROM OTHER COUNTRIES	10,473	10,414	11,390	11,075	11,385	11,664	11,888
	5.2	-0.6	9.4	-2.8	2.8	2.4	1.9
IMPORTS FROM OTHER PROVINCES	11,518	12,466	12,703	13,370	14,240	15,024	15,905
	6.4	8.2	1.9	5.3	6.5	5.5	5.9
STATISTICAL DISCREPANCY	47	61	79	56	104	76	-66
GDP AT MARKET PRICES	**34,039**	**35,129**	**36,650**	**37,798**	**40,177**	**42,112**	**44,461**
	6.5	3.2	4.3	3.1	6.3	4.8	5.6
FINAL DOMESTIC DEMAND	34,226	35,775	37,842	39,077	41,242	43,451	45,875
	4.1	4.5	5.8	3.3	5.5	5.4	5.6

MANITOBA BUREAU OF STATISTICS
December, 2006

MANITOBA ECONOMIC ACCOUNTS
TABLE 2

TABLE 3

MANITOBA GROSS DOMESTIC PRODUCT
INCOME-BASED IN CURRENT DOLLARS
2000 - 2006

	2000	2001	2002	2003	2004	2005	2006 Projected
	(MILLIONS OF CURRENT DOLLARS)						
WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME	17,146	17,733	18,626	19,421	20,384	21,309	22,156
	5.3	3.4	5.0	4.3	5.0	4.5	4.0
CORPORATION PROFITS BEFORE TAXES	2,890	2,797	3,029	3,615	4,258	4,527	4,779
	11.2	-3.2	8.3	19.3	17.8	6.3	5.6
INTEREST AND MISCELLANEOUS INVESTMENT INCOME	3,041	3,011	2,697	2,019	2,493	3,084	3,299
	12.5	-1.0	-10.4	-25.1	23.5	23.7	7.0
ACCRUED NET INCOME OF FARM OPERATORS	221	318	271	224	332	-56	350
	667.8	43.9	-15.0	-17.1	48.1	-117.0	721.1
NET INCOME OF NON-FARM UNINCORPORATED BUSINESS	2,245	2,357	2,471	2,506	2,609	2,728	2,850
	1.7	5.0	4.8	1.4	4.1	4.6	4.5
INVENTORY VALUATION ADJUSTMENT	-93	-66	-84	148	-43	-5	-28
TAXES LESS SUBSIDIES ON FACTORS OF PRODUCTION	1,777	1,771	1,842	1,876	1,965	1,982	2,024
	2.4	-0.3	4.0	1.8	4.7	0.9	2.1
NET DOMESTIC PRODUCT AT BASIC PRICES	**27,227**	**27,921**	**28,852**	**29,810**	**31,997**	**33,569**	**35,431**
	6.7	2.5	3.3	3.3	7.3	4.9	5.5
TAXES LESS SUBSIDIES ON PRODUCTS	2,482	2,628	2,968	2,906	2,890	2,950	3,014
	9.1	5.9	12.9	-2.1	-0.6	2.1	2.2
CAPITAL CONSUMPTION ALLOWANCES	4,377	4,640	4,909	5,139	5,394	5,669	5,950
	5.2	6.0	5.8	4.7	5.0	5.1	5.0
STATISTICAL DISCREPANCY	-47	-61	-79	-56	-104	-76	66
GROSS DOMESTIC PRODUCT AT MARKET PRICES	**34,039**	**35,129**	**36,650**	**37,798**	**40,177**	**42,112**	**44,461**
	6.5	3.2	4.3	3.1	6.3	4.8	5.6
GROSS DOMESTIC PRODUCT AT BASIC PRICES	31,557	32,501	33,682	34,892	37,287	39,162	41,447
	6.4	3.0	3.6	3.6	6.9	5.0	5.8

MANITOBA BUREAU OF STATISTICS
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MANITOBA ECONOMIC ACCOUNTS
TABLE 3

TABLE 4

MANITOBA PERSONAL INCOME
SOURCES AND DISPOSITION
2000 - 2006

	2000	2001	2002	2003	2004	2005	2006 Projected
			(MILLIONS OF CURRENT DOLLARS)				
WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME*	17,221	17,833	18,711	19,515	20,258	21,171	22,018
	5.4	3.6	4.9	4.3	3.8	4.5	4.0
ACCRUED NET INCOME OF FARM OPERATORS	221	318	271	224	332	-56	350
	667.8	43.9	-15.0	-17.1	48.1	-117.0	
NET INCOME OF NON-FARM UNINCORPORATED BUSINESS	2,245	2,357	2,471	2,506	2,609	2,728	2,850
	1.7	5.0	4.8	1.4	4.1	4.6	4.5
INTEREST, DIVIDENDS AND MISCELLANEOUS INVESTMENT INCOME	3,889	3,814	3,439	3,371	3,471	3,605	3,718
	4.8	-1.9	-9.8	-2.0	3.0	3.9	3.1
CURRENT TRANSFERS:							
FROM GOVERNMENT	4,652	4,729	4,895	4,996	5,195	5,399	5,546
	4.3	1.7	3.5	2.1	4.0	3.9	2.7
FROM CORPORATIONS	55	104	48	45	48	53	60
	27.9	89.1	-53.8	-6.3	6.7	10.4	12.6
FROM NON-RESIDENTS	88	91	92	91	96	97	85
	3.5	3.4	1.1	-1.1	5.5	1.0	-12.8
PERSONAL INCOME	**28,371**	**29,246**	**29,927**	**30,748**	**32,009**	**32,997**	**34,627**
	5.6	3.1	2.3	2.7	4.1	3.1	4.9
DEDUCT:							
CURRENT TRANSFERS TO GOVERNMENT	6,252	6,259	6,416	6,538	6,943	7,438	7,775
	8.1	0.1	2.5	1.9	6.2	7.1	4.5
EQUALS:							
PERSONAL DISPOSABLE INCOME	**22,119**	**22,987**	**23,511**	**24,210**	**25,066**	**25,559**	**26,851**
	4.9	3.9	2.3	3.0	3.5	2.0	5.1
DEDUCT:							
PERSONAL EXPENDITURE ON CONSUMER GOODS AND SERVICES	20,602	21,436	22,502	23,346	24,515	25,725	26,832
	4.2	4.1	5.0	3.8	5.0	4.9	4.3
CURRENT TRANSFERS TO CORPORATIONS	338	352	316	353	370	393	427
	25.7	4.1	-10.2	11.7	4.8	6.2	8.6
CURRENT TRANSFERS TO NON-RESIDENTS	71	79	91	97	104	117	122
	9.2	11.3	15.2	6.6	7.2	12.5	3.9
EQUALS:							
PERSONAL SAVING	1,108	1,120	602	414	77	-676	-529
	13.0	1.0	-46.2	-31.2	-81.4	...	...
PERSONAL SAVINGS RATE	**5.0**	**4.9**	**2.6**	**1.7**	**0.3**	**-2.6**	**-2.0**

* LABOUR INCOME BASED ON PROVINCE OF RESIDENCE.

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TABLE 5

MANITOBA FARM INCOME
RECONCILIATION
2000 - 2006

	2000	2001	2002	2003	2004	2005	2006 Projected
	(MILLIONS OF CURRENT DOLLARS)						
TOTAL FARM CASH RECEIPTS	3,151	3,701	3,848	3,574	3,903	3,743	3,680
	8.3	17.5	4.0	-7.1	9.2	-4.1	-1.7
CROPS	1,313	1,519	1,913	1,704	1,788	1,282	1,323
	-6.3	15.8	25.9	-10.9	4.9	-28.3	3.2
LIVESTOCK	1,551	1,800	1,716	1,561	1,656	1,766	1,656
	20.1	16.0	-4.6	-9.0	6.1	6.6	-6.2
DIRECT PAYMENTS	287	382	219	308	459	694	701
	32.9	33.1	-42.7	40.7	48.9	51.4	0.9
MINUS: OPERATING EXPENSES	2,563	2,790	2,919	3,068	3,140	3,117	3,219
	7.9	8.8	4.6	5.1	2.3	-0.7	3.3
= NET CASH INCOME	**587**	**912**	**929**	**505**	**763**	**626**	**461**
	10.4	55.3	1.9	-45.6	51.0	-18.0	-26.2
PLUS: INCOME IN KIND	9	9	8	8	9	12	12
	-8.7	-4.3	-5.0	-1.9	10.6	33.3	0.0
MINUS: DEPRECIATION CHARGES	387	398	397	412	404	411	412
	-0.5	2.8	-0.1	3.7	-1.9	1.6	0.3
= REALIZED NET INCOME	**209**	**522**	**540**	**101**	**368**	**227**	**61**
	36.9	149.6	3.4	-81.2	263.0	-38.3	-72.9
PLUS: VALUE OF INVENTORY CHANGE	98	-9	-127	131	-39	-294	287
MINUS: AMOUNTS INCLUDED IN OTHER COMPONENTS OF GDP	68	96	115	107	83	0	40
	126.7	41.2	19.8	-7.0	-22.4	--	--
PLUS: FARM CASH ADJUSTMENTS	-7	-94	-21	66	94	23	27
= NET INCOME RECEIVED BY FARM OPERATORS FROM FARM PRODUCTION	**232**	**324**	**278**	**191**	**340**	**-43**	**335**
	1467.9	39.7	-14.4	-31.1	77.8	-112.9	772.9
PLUS: ADJUSTMENT ON GRAIN TRANSACTIONS	-11	-6	-7	33	-8	-13	15
= ACCRUED NET INCOME OF FARM OPERATORS	**221**	**318**	**271**	**224**	**332**	**-56**	**350**
	667.8	43.9	-15.0	-17.1	48.1	-117.0	721.1

MANITOBA BUREAU OF STATISTICS
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MANITOBA ECONOMIC ACCOUNTS
TABLE 5

TABLE 6

MANITOBA PRICE INDEXES
(CHAINED 1997 DOLLARS)
2000 - 2006

	2000	2001	2002	2003	2004	2005	2006 Projected
PERSONAL EXPENDITURE	105.0	107.2	109.4	111.2	112.9	114.9	115.7
	1.9	2.1	2.1	1.6	1.5	1.8	0.6
GOVERNMENT EXPENDITURE	109.4	111.2	113.9	116.6	119.1	123.3	124.4
	5.4	1.7	2.5	2.3	2.2	3.5	0.9
GOVERNMENT INVESTMENT IN CAPITAL	103.0	103.0	103.5	103.0	105.0	106.8	107.2
	3.0	-0.1	0.5	-0.4	1.9	1.7	0.4
STRUCTURES	108.1	109.0	110.4	113.3	118.8	124.2	124.2
	5.0	0.8	1.3	2.7	4.9	4.5	0.0
MACHINERY AND EQUIPMENT	92.9	91.3	90.3	84.3	80.2	75.0	76.2
	-0.8	-1.7	-1.1	-6.6	-4.8	-6.5	1.7
BUSINESS INVESTMENT	102.5	104.2	105.9	103.8	105.3	106.2	109.0
	1.0	1.7	1.6	-1.9	1.4	0.9	2.6
RESIDENTIAL STRUCTURES	104.7	106.9	109.1	112.6	120.2	124.7	127.2
	1.8	2.1	2.1	3.2	6.7	3.7	2.0
NON-RESIDENTIAL STRUCTURES	108.0	109.7	111.6	113.9	120.0	125.0	126.9
	3.5	1.5	1.8	2.1	5.3	4.2	1.5
MACHINERY AND EQUIPMENT	98.6	100.2	101.6	95.4	92.3	90.3	93.4
	-0.5	1.6	1.4	-6.1	-3.3	-2.2	3.5
EXPORTS OF GOODS AND SERVICES	104.0	105.6	106.7	105.3	107.2	107.7	109.3
	3.9	1.6	1.0	-1.4	1.8	0.4	1.5
EXPORTS TO OTHER COUNTRIES	105.1	106.6	106.9	104.7	107.5	106.8	109.0
	5.2	1.4	0.4	-2.1	2.6	-0.7	2.1
EXPORTS TO OTHER PROVINCES	103.0	104.8	106.6	105.8	107.0	108.6	109.6
	2.6	1.7	1.7	-0.7	1.1	1.5	1.0
DEDUCT: IMPORTS OF GOODS AND SERVICES	106.1	108.1	108.2	105.9	106.4	106.8	107.0
	3.6	1.9	0.1	-2.1	0.4	0.4	0.2
IMPORTS FROM OTHER COUNTRIES	104.0	107.7	108.2	100.7	98.5	94.9	93.5
	1.0	3.6	0.5	-7.0	-2.2	-3.6	-1.6
IMPORTS FROM OTHER PROVINCES	108.0	108.4	108.1	110.6	113.6	117.7	119.6
	6.1	0.4	-0.3	2.3	2.7	3.6	1.6
GDP AT MARKET PRICES	103.8	106.2	108.6	109.8	113.6	115.8	118.4
	2.2	2.4	2.2	1.1	3.5	1.9	2.3
FINAL DOMESTIC DEMAND	105.5	107.5	109.7	111.1	112.9	115.2	116.4
	2.6	1.9	2.1	1.2	1.7	2.0	1.0

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TABLE 7

REAL GROSS DOMESTIC PRODUCT BY INDUSTRY*
BASIC PRICES
2000 - 2006

	2000	2001	2002	2003	2004	2005	2006 Projected
	(Millions of Dollars, 1997 Prices)						
AGRICULTURE	1,682	1,312	1,339	1,545	1,458	1,191	1,394
	13.2	-22.0	2.0	15.4	-5.6	-18.3	17.0
FORESTRY, FISHING & HUNTING	67	68	75	78	84	83	83
	14.1	2.0	9.5	3.5	8.8	-1.7	-0.3
MINING, OIL & GAS EXTRACTION	664	610	548	517	565	594	720
	21.6	-8.1	-10.2	-5.6	9.3	5.2	21.1
UTILITIES	1,016	1,009	996	865	946	1,111	1,083
	4.1	-0.6	-1.3	-13.2	9.4	17.4	-2.5
CONSTRUCTION	1,193	1,334	1,320	1,407	1,475	1,555	1,815
	-7.7	11.8	-1.0	6.6	4.8	5.5	16.7
MANUFACTURING	3,973	3,827	3,898	3,960	4,157	4,291	4,349
	10.0	-3.7	1.9	1.6	5.0	3.2	1.3
WHOLESALE TRADE	1,875	1,925	1,974	2,034	2,104	2,306	2,246
	1.5	2.7	2.5	3.1	3.4	9.6	-2.6
RETAIL TRADE	1,760	1,887	1,981	2,029	2,122	2,239	2,343
	4.0	7.2	5.0	2.5	4.6	5.5	4.6
TRANSPORTATION & WAREHOUSING	2,141	2,131	2,084	2,120	2,233	2,344	2,392
	3.4	-0.5	-2.2	1.7	5.3	4.9	2.1
INFORMATION & CULTURAL INDUSTRIES	953	1,084	1,225	1,271	1,297	1,331	1,353
	10.2	13.8	13.1	3.8	2.0	2.7	1.7
FINANCE & INSURANCE & REAL ESTATE & RENTAL & LEASING	5,860	6,035	6,166	6,273	6,447	6,631	6,823
	2.5	3.0	2.2	1.7	2.8	2.9	2.9
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES	750	754	781	818	852	882	915
	-8.0	0.6	3.6	4.7	4.2	3.4	3.8
MANAGEMENT OF COMPANIES & ENTERPRISES & ADMINISTRATIVE & OTHER SUPPORT	439	470	514	529	544	558	575
	-9.2	7.1	9.4	2.9	2.7	2.7	3.1
EDUCATION SERVICES	1,572	1,584	1,613	1,608	1,617	1,629	1,646
	1.7	0.8	1.8	-0.3	0.5	0.7	1.0
HEALTH CARE & SOCIAL SERVICES	2,197	2,261	2,336	2,417	2,430	2,469	2,509
	1.2	2.9	3.3	3.5	0.5	1.6	1.7
ARTS AND ENTERTAINMENT	335	337	344	355	368	383	395
	2.5	0.6	2.0	3.1	3.7	4.0	3.1
ACCOMMODATION AND FOOD SERVICES	768	843	833	834	822	831	839
	16.3	9.7	-1.2	0.1	-1.4	1.1	0.9
OTHER SERVICES	834	890	923	931	916	926	941
	6.6	6.7	3.7	0.8	-1.6	1.1	1.7
PUBLIC ADMINISTRATION	2,281	2,239	2,273	2,251	2,281	2,300	2,324
	4.5	-1.9	1.5	-1.0	1.4	0.8	1.0
GROSS DOMESTIC PRODUCT AT BASIC PRICES	**30,360**	**30,603**	**31,225**	**31,842**	**32,717**	**33,654**	**34,745**
	4.2	0.8	2.0	2.0	2.7	2.9	3.2

* BASED ON THE NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS)

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TABLE 8

REAL GROSS DOMESTIC PRODUCT BY INDUSTRY*
INDUSTRIAL SHARE
2000 - 2006

	2000	2001	2002	2003	2004	2005	2006 Projected
	(Share of Total)						
AGRICULTURE	5.5	4.3	4.3	4.9	4.5	3.5	4.0
FORESTRY, FISHING & HUNTING	0.2	0.2	0.2	0.2	0.3	0.2	0.2
MINING, OIL & GAS EXTRACTION	2.2	2.0	1.8	1.6	1.7	1.8	2.1
UTILITIES	3.3	3.3	3.2	2.7	2.9	3.3	3.1
CONSTRUCTION	3.9	4.4	4.2	4.4	4.5	4.6	5.2
MANUFACTURING	13.1	12.5	12.5	12.4	12.7	12.8	12.5
WHOLESALE TRADE	6.2	6.3	6.3	6.4	6.4	6.9	6.5
RETAIL TRADE	5.8	6.2	6.3	6.4	6.5	6.7	6.7
TRANSPORTATION & WAREHOUSING	7.1	7.0	6.7	6.7	6.8	7.0	6.9
INFORMATION & CULTURAL INDUSTRIES	3.1	3.5	3.9	4.0	4.0	4.0	3.9
FINANCE & INSURANCE & REAL ESTATE & RENTAL & LEASING	19.3	19.7	19.7	19.7	19.7	19.7	19.6
PROFESSIONAL, SCIENTIFIC & TECHNICAL SERVICES	2.5	2.5	2.5	2.6	2.6	2.6	2.6
MANAGEMENT OF COMPANIES & ENTERPRISES & ADMINISTRATIVE & OTHER SUPPORT	1.4	1.5	1.6	1.7	1.7	1.7	1.7
EDUCATION SERVICES	5.2	5.2	5.2	5.1	4.9	4.8	4.7
HEALTH CARE & SOCIAL SERVICES	7.2	7.4	7.5	7.6	7.4	7.3	7.2
ARTS AND ENTERTAINMENT	1.1	1.1	1.1	1.1	1.1	1.1	1.1
ACCOMMODATION AND FOOD SERVICES	2.5	2.8	2.7	2.6	2.5	2.5	2.4
OTHER SERVICES	2.7	2.9	3.0	2.9	2.8	2.8	2.7
PUBLIC ADMINISTRATION	7.5	7.3	7.3	7.1	7.0	6.8	6.7
GROSS DOMESTIC PRODUCT AT BASIC PRICES	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

* BASED ON THE NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM (NAICS)

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